AMENDMENT TO THE CLAIMS

1. (Cancelled)

2. (Cancelled)

3. (Previously Amended) The system of Claim 31, wherein said account management system comprises any of:

    a delinquent collections mechanism that reduces delinquencies and that uses collections resources more efficiently by assessing accounts in order of their risk and then queuing them for action accordingly;

    a usage limit management mechanism that improves end user profits by expanding usage while controlling risk by allowing an end user to determine whether to assign or adjust usage limits based upon each customer's credit risk;

    an authorizations management mechanism that reduces an end user's risk of losses by reviewing account status to determine whether high risk accounts should be hotlined or blocked; and

    a marketing communications mechanism that effectively targets cross-sell products and retention of customers efforts to maximize end user revenue and minimize risk and churn.

Claim 4 – 7 (Cancelled)

8. (Previously Amended) The system of Claim 31, wherein said account management system further comprises:

    strategies and strategic portfolio assignments, wherein a strategy is a plan for assigning an account to a specific scenario, or action for treatment, and wherein said strategic portfolios comprise groups of accounts that can be managed collectively because they share common characteristics.

2

9. (Previously Amended) The system of Claim 8, wherein said account management system further comprises:

means for providing an end user with the ability to compare competing strategies in a statistically valid way so that said end user can determine which strategy produces the best results.

Claim 10 and 11 (Cancelled)

12. (Previously Amended) The system of Claim 31, wherein said graphical front-end component further comprises:

means for allowing an end user to view scorecard assignments; and comprises any of:

means for allowing an end user to update existing scorecards; and

means for allowing an end user to add new scorecards.

13. (Previously Amended) The system of Claim 31, comprising at least one account, wherein each account has a two-digit number between 00 and 99, which is a random digit or a test digit assigned by said account management engine when said account is opened or brought into said account management system.

14. (original) The system of Claim 13, further comprising:

a strategy assignment mechanism for linking strategies to one or more random digit groups for each strategic portfolio or SPID.

15. (Previously Amended) The system of Claim 31, further comprising:

at least one decision area for applying separate strategies for each key process that influences the profitability of a portfolio.

3

16. (original) The system of Claim 15, wherein an end user may exclude categories of accounts from behavior scoring and each decision area.

17. (original) The system of Claim 15, wherein entry into each decision area is triggered by a primary event.

18. (original) The system of Claim 8, further comprising:

at least one strategy key for sorting accounts into groups that receive different treatments.

19. (original) The system of Claim 8, further comprising:

at least one strategy tree with which an end user can separate accounts into tightly defined treatment groups and take actions that balance revenue and risk.

20. (original) The system of Claim 8, further comprising:

at least one scenario assigned to each treatment group in a strategy;

wherein said action comprises any of a simple action and a complex action.

21. (original) The system of Claim 20, wherein a simple action can be to take no action at all, and wherein a complex action can include any of setting a block code, sending a letter, setting a collection indicator, or printing a statement message.

22. (original) The system of Claim 8, further comprising:

an audit program that is run when developing a new strategy or modifying control fields.

23. (Previously Amended) The system of Claim 31, said account management system further comprising:

4

an estimator program for tallying a number of accounts identified by each control table row and the odds or risk quality for these accounts.

24. (Previously Amended) The system of Claim 31, wherein management database files and control settings are uploaded from said client system to said host system for processing.

Claim 25 – 30 (Cancelled)

31. (Currently Amended) An account management system for statistically based automated decision making, comprising:

a host system comprising an account management component ~~system~~ of said account management system, said host system performing all account management processing <u>and comprising one or more scoring and functionally / predictive models for generating decisions; report records used for testing purposes, said reports generated for most decision areas,</u>

<u>wherein said report records contain all account management actions and other information on each account through-out a cycle in which a new behavior score is computed, accounts are sorted into treatment groups, and a set of actions are returned,</u>

<u>wherein said report records are provided as a client system input; and a data warehouse for facilitating use of said score and decision models;</u>

a client system networked with host system said client system comprising a graphical front end component for end user interaction with said account management system, said client system comprising means for managing database files and control settings for said account management component and means for uploading said database files and said control settings to said account management component for processing by said account management system and for receiving results from said account management system; and

a calling program for allocating data areas at said host system, said calling program comprising means for receiving said database files and said control

5

settings from said client system as an input to said account management system and means for writing said database files and said control settings to said allocating data areas at said host system, and means for returning results read from said allocated data areas of said account management system to said client system;

said account management system comprising means for performing its operations by writing account management system actions and other information to a report record file comprising at least said allocated data areas; and

said client system comprising a plurality of user applications, including applications for providing a graphical view of strategies and strategic portfolio assignments;

wherein said account management system is integrated with said end user applications at said client system by said calling program to perform all account management processing at said account management system and to provide said end user with said graphical front end component and end user application access at said client system; and

wherein said cycle comprises a processing order comprising:-

assigning an account to a strategic portfolio;

assigning strategy IDs for decision areas;

calculating a behavior score;

reviewing an account for credit line actions;

reviewing said account for delinquent actions;

reviewing said account for overlimit actions;

writing to said report records; and

returning action and other data to said calling program.

6